

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of)

PUBLIC UTILITIES COMMISSION)

Instituting a Proceeding to Investigate)
Distributed Generation in Hawaii.)

Docket No. 03-0371

KAUAI ISLAND UTILITY COOPERATIVE'S RESPONSES TO
HESS MICROGEN'S INFORMATION REQUESTS

AND

CERTIFICATE OF SERVICE

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PUBLIC UTILITIES
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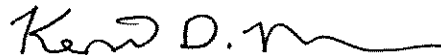
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HESS MICROGEN'S INFORMATION REQUESTS

COMES NOW, KAUAI ISLAND UTILITY COOPERATIVE, by and through its attorneys,
Oshima Chun Fong & Chung, hereby submits its Responses to Hess Microgen's Information
Requests.

DATED: Honolulu, Hawai'i, June 16, 2004.



ALAN M. OSHIMA
KENT D. MORIHARA

Attorneys for KAUAI ISLAND UTILITY
COOPERATIVE

**KAUAI ISLAND UTILITIES COOPERATIVE'S RESPONSES TO
HESS MICROGEN'S INFORMATION REQUESTS
DOCKET NO. 03-0371**

HESS-SOP-IR-1 to KIUC Ref.:KIUC's SOP p.15

Please explain why it is important to have DG facilities comply with all applicable safety and performance standards of the National Electrical Code ("NEC"), the Institute of Electrical and Electronics Engineers ("IEEE"), and accredited testing laboratories such as the Underwriters Laboratories ("UL") before they are allowed to interconnect with a Regulated Public Utility grid. Also, does this proposed requirement also apply to DG resources that do not feed power to the utility grid?

Response:

These requirements are in place to address issues of safety and grid integrity. When generation is connected to an electric grid, the safety of the utility's employees, the utility's consumers, and the general public must be given top priority.

These requirements are applicable to generation facilities that are interconnected and operating in parallel to KIUC's electric facilities.

Sponsor:

Joe McCawley

**KAUAI ISLAND UTILITIES COOPERATIVE'S RESPONSES TO
HESS MICROGEN'S INFORMATION REQUESTS
DOCKET NO. 03-0371**

HESS-SOP-IR-2 to KIUC Ref.:KIUC's SOP p.17-18

Please explain in detail the justification for a standby rate and an interconnection fees. Also, please state the entities that the standby rate and an interconnection fees will be imposed on and why.

Response:

A standby rate is a mechanism to recover expenses incurred to provide a service to a customer, that are not recovered via the applicable rate schedule.

Interconnection fees cover the utility's expenses to process, review, and/or modify an interconnection application, to perform an interconnection study, and when applicable, to build system upgrades.

KIUC is still evaluating the applicability of standby rates and interconnection fees to a customer that has generation owned by KIUC on their property.

Sponsor:

Joe McCawley

CERTIFICATE OF SERVICE

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DATED: Honolulu, Hawai'i, June 16, 2004.

A handwritten signature in black ink, appearing to read "Kent D. Morihara", with a horizontal line underneath.

ALAN M. OSHIMA
KENT D. MORIHARA

Attorneys for KAUAI ISLAND UTILITY
COOPERATIVE